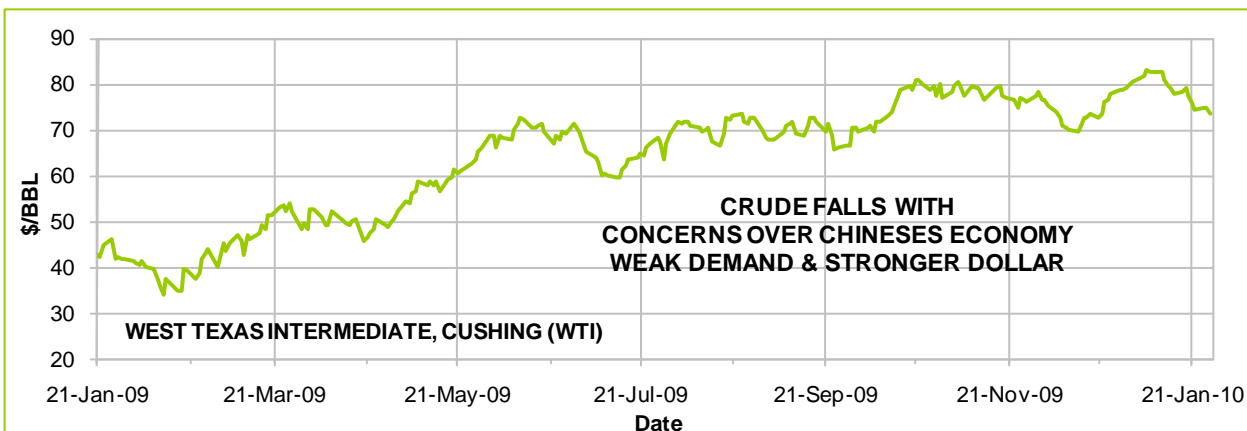


Crude Oil



Inventories were expected to rise by 2 million barrels this week. They fell instead by 3.9 million. Although inputs to refineries fell by 1.4% and production rose by 0.3%, this was more than offset by a sharp fall in imports of 7.9%. Some of the import decline can be attributed to bad weather affecting Houston. The decline was in sharp contrast to the five-year average increase of 2.5 million for this time of year. Crude stocks are 3.3% below last year but 4.2% above the 5-year average. Current inventory levels are at their second highest level for this date since 1999.

Although crude inventories declined, prices also fell as the strong inventory growth of finished products exposed the weak demand for petroleum products. Spot prices fell by \$3.76 this past week to \$73.63, \$31.99 (76.8%) higher than a year ago but 49.3% lower than 2008's peak price. Futures prices closed yesterday at \$76.53, down \$3.75 for the week. They are \$26.31 (52.4%) higher than last year but 47.7% below 2008's peak price.

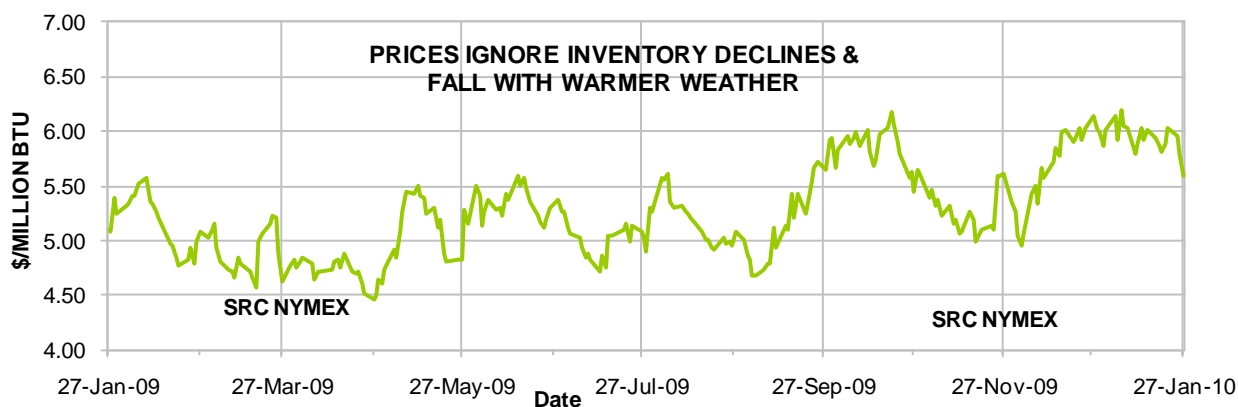


Natural Gas



After falling by 511 BCF the previous 2 weeks, natural gas inventories fell by only 86 BCF this past week as warmer weather and weak industrial usage limited demand. The latest decline was less than half of the five-year average decline. Cumulative inventory withdrawals for this heating season are 35% above the 5-year average. At 2,521 BCF, this week's inventory level has improved to 5.0% higher than a year ago and 3.6% above the five-year average. It is the second highest ever for this time period.

Frigid winter weather and large inventory draws had driven prices higher but more moderate weather over the past 3 weeks and forecasts of warm weather reversed this trend. Futures prices fell by 59.6 cents per million BTU the past 3 weeks. The 12-month strip settled yesterday at \$5.595 per million BTU, 9.9% higher than a year ago but 58.0% below the 2008 peak. With a decrease of \$1.000 the past 3 weeks, spot prices fell to \$5.420 per million BTU yesterday. Spot prices are 13.6% higher than a year ago but 59.3% below their 2008 peak price.

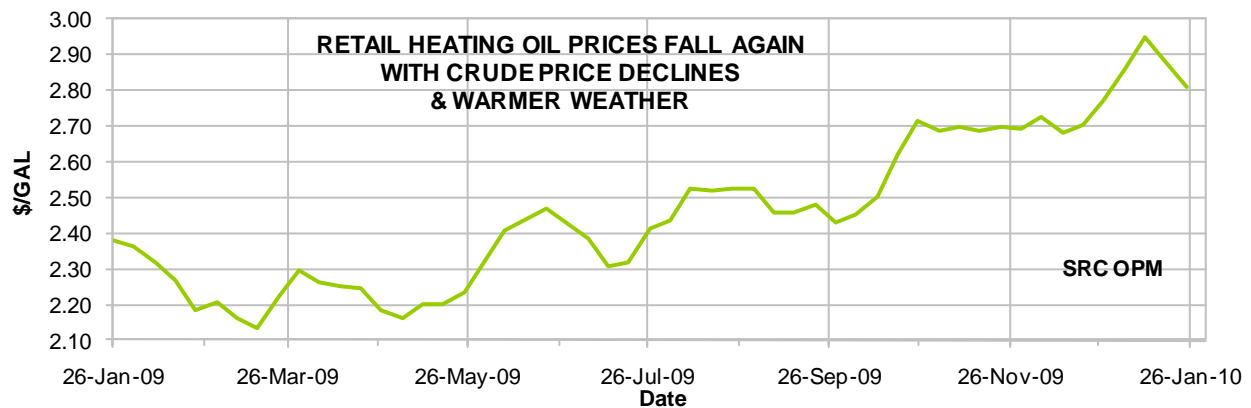


Heating oil



Distillate stocks rose unexpectedly by 0.4 million barrels this past week compared to an expected decline of 1.8 million as demand decreased 2.6%, production rose by 0.9% and imports increased by 142%. Inventory levels are now 9.3% above last year and 17.4% above the five-year average.

The 12 month strip has fallen by 26.9 cents the past 3 weeks and is now at \$1.998/gal, 53 cents (35.7%) higher than a year ago. The spot price is down by 29.2 cents the past 3 weeks and is at 1.906 /gal, 51.8 cents (37.4%) above last year. The spot price is 53% below its 2008 peak and the 12 month strip is 52% below its 2008 peak. Falling crude prices and warmer weather pushed Connecticut retail prices down by 14.1 cents the past 2 weeks. At \$2.809/gal, prices are 42.8 cents (18.0%) above a year ago but are \$1.96 (41.1%) below the 2008 peak price. The highest price in this week's survey was \$3.399 and the lowest was \$2.440. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
26-Jan-09	2.580	2.799	2.349	2.391	3.490	2.050	2.389	2.599	2.149
11-Jan-10	3.075	3.499	2.740	2.924	3.099	2.740	3.004	3.299	2.789
18-Jan-10	3.027	3.499	2.600	2.842	3.049	2.599	2.898	3.299	2.679
25-Jan-10	2.967	3.399	2.440	2.754	2.999	2.499	2.801	3.259	2.559
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
26-Jan-09	2.295	2.399	2.100	2.499	2.599	2.399	2.211	2.399	2.100
11-Jan-10	2.993	3.099	2.899	2.949	3.099	2.790	2.878	2.979	2.800
18-Jan-10	2.875	2.999	2.799	2.941	3.099	2.790	2.809	2.899	2.700
25-Jan-10	2.763	2.929	2.699	2.855	2.999	2.590	2.738	2.899	2.600
	NEW HAVEN								
	AVG	HIGH	LOW						
26-Jan-09	2.293	2.599	1.792						
11-Jan-10	2.872	3.099	2.650						
18-Jan-10	2.818	3.099	2.579						
25-Jan-10	2.761	3.099	2.479						

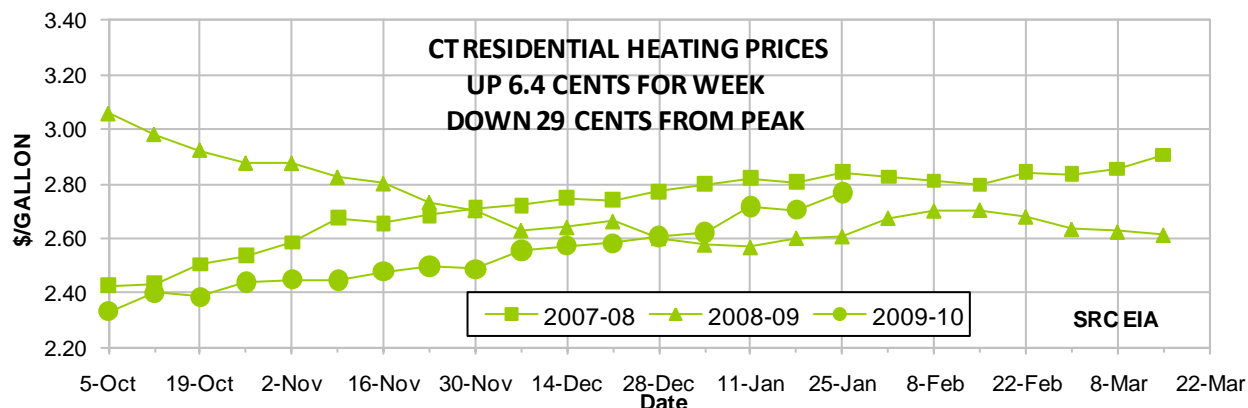
OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning January 25, 2009. Figures reflect per gallon prices without discount.

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventory levels declined by 4.3 million barrels this past week, 45% more than the five-year average decline of only 3.0 million. Since October 9th, inventories have fallen by 36.2 million, 93% greater than the 5-year average decline. Current storage levels now trail last year's levels by 23.2% and they have worsened to 23.3% below the five-year average. Monday's Connecticut retail propane heating price survey showed an average price of \$2.767/gal, 6.4 cents/gal higher than the previous week. Prices are 6.1% (15.9 cents) higher than a year ago but 9.5% (29.0 cents) lower than the peak 2008 price. Propane spot prices were 13.6 cents higher this week, settling at \$1.392 per gallon yesterday. This is 68.0 cents (95.6%) higher than a year ago but 29.7% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Inventories rose by 2.0 million barrels this week as a small increase in demand was more than offset by increased production and a sharp gain in imports. The inventory gain was approximately equal to the 5-year average of 2.1 million barrels. Inventories levels are 4.3% above last year and 4.7% above the five-year average. Stocks are at a 16 year high for this date.

Wednesday's spot price was \$1.942/gal, 81.8 cents (72.8%) higher than last year. The 12-month strip, at \$1.997/gal, was 74.8 cents (59.9%) higher than a year ago. Falling crude prices and weak demand resulted in Connecticut retail prices falling by 3.0 cents this past week after rising by 13.6 cents over the previous 4 weeks. At \$2.879/gal, retail prices are 97.4 cents (51.1%) higher than a year ago but 34.4% below 2008's peak. While spot prices have risen by 73% over the past year and futures have risen by 60%, Connecticut retail prices have only risen by 51% because of continued weak demand.

